FAMILY PLANNING QUEENSLAND
AND ITS CONTROLLED ENTITIES
Trading as "true relationships & reproductive health"

A.B.N. 61 009 860 164

FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2020

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DIRECTORS' REPORT

DIRECTORS

The Directors of Family Planning Queensland (Company), present their report on the consolidated entity (Group), consisting of Family Planning Queensland and the entities it controlled at the end of, and during, the financial year ended 30 June 2020.

The following persons were Directors of Family Planning Queensland during the whole of the financial year and up to the date of this report unless otherwise stated:

- Natalie Bain - Chairperson
- Bob Van Beusekom
- Giuseppe Taddeo
- Donna Bonney
- Clare Boothroyd
- Julia Duffy
- Tania Hillman
- Clare Maher
- Christine Ip

Company Secretary

- Charles Robinson

DIRECTORS' AND SECRETARY'S DETAILS

Natalie Bain, BA, Grad Dip Public Relations, GAICD

Natalie is a stakeholder engagement and communication specialist with broad and significant experience at the state, national and global levels over almost two decades. While currently based in Brisbane, she spent several years living and working in remote and regional Queensland.

Her career to date has predominately focused on building and maintaining respectful dialogue between organisations in the resources sector and host communities. Understanding community needs and priorities and guiding appropriate organisational responses, often working with charities and not-for-profits as delivery partners, is a skillset that Natalie draws on in her work with True.

A Graduate of the Australian Institute of Company Directors, Natalie is also a director of Domino's charitable foundation, Give for Good.

Special Responsibilities: Chairperson, Member-Governance Committee

Bob Beusekom, MSc, CA, FCPA, PMP, GAICD

Bob is a chartered accountant, has a master's degrees in information management and economics and is a member of CPA Australia (fellow), CA Netherlands, Project Management Institute, International Coach Federation and Australian Institute of Company Directors. He has worked in large consulting firms, own enterprises and in executive roles in companies and governments. Bob has lived in several countries such as The Netherlands, China, Costa Rica, Israel and Australia. Next to his working life, Bob has supported the community by volunteering during his travels, for Amsterdam Arts, Aids and Cancer fundraising and Gay, Lesbian, Bi- and Transsexual events. These activities focused on supporting interest groups in general and creating liberal and safe environments for minorities in particular.

Special Responsibilities: Chairperson-Audit & Finance Committee (excluding from 27 February 2020 to 26 May 2020)

Donna Bonney, RN, M. Nursing, Grad Cert Education, Grad Cert Emergency Nursing, B. Nursing

Donna has a nursing background and over 25 years of experience as a clinician, educator, manager and leader in both public and private healthcare organisations. As the Executive Director of Mater Education, Donna is a member of the Mater Group Executive and leads a large and diverse team of multidisciplinary education and simulation professionals and is responsible for organisation-wide teaching and learning for almost 10,000 staff. As the head of Mater Education Limited, a leading private education provider, she is also responsible for the provision of nationally recognised healthcare qualifications and a suite of clinical education and simulation programmes for the continuing professional development of the healthcare workforce. Donna holds adjunct Professor and Associate Professor roles with UQ and ACU respectively, and has undergraduate and postgraduate qualifications and professional certifications in nursing, education, leadership and management, simulation, project management and corporate governance. Donna is also a Board Director at Jobs Queensland.

Special Responsibilities: Deputy Chairperson, Member-Governance Committee

Clare Boothroyd MB BS (Hons) M Med Sci MBA (Exec) FRACP FRANZCOG CREI GAICD

Clare Boothroyd completed specialisation internal medicine (endocrinology) and obstetrics and gynaecology. She is currently the chair of the training and accreditation committee of the CREI (reproductive endocrinology and infertility sub-speciality of the Royal Australian and New Zealand College of Obstetricians and Gynaecologists). Her current roles include: honorary secretary of the IVF Directors group of the Fertility Society of Australia (FSA);the nominated representative of the IVF Directors on the Reproductive Technology and Accreditation Committee (RTAC); chair of the review committee of the Australia and New Zealand Assisted Reproduction Database (ANZARD) .a Board member for the Asia Pacific Initiative in Reproduction (ASPIRE) ,chair of the Education Committee of ASPIR, Vice President of Australian and New Zealand Society of Specialists in Reproductive Endocrinology and Infertility. She represented the FSA in the recent NHMRC Working Party on the review of Ethical Standards in the Practice of Assisted Reproductive Technology and completed an executive MBA in 2015.In 2008 she established an independently owned IVF unit, Care Fertility of which she is Medical Director. She has been a long term supporter of True and has volunteered her teaching to the True courses for doctors for many years.

Special Responsibilities: Member-Clinical Advisory Committee

Julia Duffy, BA, MA, LLB (Hons), LLM (Hons), admitted as a solicitor to the Supreme Court of Queensland and the High Court of Australia

Julia Duffy is a lawyer currently working in the area of health law and regulation. She is a legal member of Queensland's Mental Health Review Tribunal and sits on two allied health profession boards. She is enrolled in a PhD with the Australian Centre for Health Law Research (QUT), examining human rights frameworks for decision making by and for adults with cognitive disabilities. She has extensive management and policy experience in the Queensland Government at senior levels across diverse portfolios including consumer protection, regulatory systems, tax administration and law and justice. From 2012 to 2013 Julia was the Executive Director and Official Solicitor for the Queensland Child Protection Commission of Inquiry. From June 2015 to January 2017 she was Queensland's Deputy Public Guardian and from August 2015 to July 2016 acted as Public Guardian. Julia has a long held commitment to social justice and human rights issues.

Special responsibilities: Chairperson-Governance Committee

Tania Hillman, B.Com. CA

Tania is a chartered accountant with over 20 years of commercial experience. Starting her career within public practice before transitioning into commercial accounting, she has extensive experience in tax, international accounting standards, regulatory standards and financial markets. She is the financial controller for GO1, an established leader in online learning and education, and a member of the Chartered Accountants Australia and New Zealand Corporate Advisory Panel.

A strong advocate of lifelong learning, Tania has been fortunate to work with organisations dedicated to helping others through education and is proud to support True.

Special responsibilities: Member–Audit & Finance Committee, Committee Chairperson from 27 February 2020 to 26 May 2020

Christine Ip, BE(Chem)(Hons), MBus (Acc), GAICD

Christine is a senior commercial and financial manager with over 20 years of experience in strategy, complex problem solving and value creation across multiple industries in the private and public sectors. She is a Director in the Client Division of Queensland Treasury Corporation, leading a team of finance and accounting professionals to secure the State’s financial success through business optimisation, infrastructure development and financing.

Christine is motivated to contribute to the for-purpose sector. She was the President of the QUT Business School Alumni for three years; and has built an extensive network supporting the development of women in business.

Special responsibilities: Member-Audit & Finance Committee

Clare Maher, FRACGP, Dip O&G, MPH

Clare is a General Practitioner with over 25years of experience as a clinician and educator. She currently works at the Inala Indigenous Health Service and at a specialist outreach Diabetes service. Clare is fortunate to have worked with Aboriginal and Torres Strait Islander people for over 15years and has significant experience in refugee health. Her interests include medical education, evidence based medicine and women’s health. She has been involved with the teaching of medical students and GP registrars for many years.

Since 2016 Clare has been the RACGP Qld Domestic and Family Violence Champion General Practitioner. This involves promoting the role and responsibilities of GP’s in the care of people who have experienced IPV.

Special responsibilities: Member–Clinical Advisory Committee

Giuseppe Taddeo, MBA, Grad Dip Bus Admin, Assoc Dip Diagnostic Radiography

Gus originally qualified as a Radiographer with his business career starting in South Australia as a technical representative for Cook Medical. Over a 26 year career at Cook he moved through roles in regional and international sales, business development and eventually as the Managing Director for the last 10 years.

Gus has been a board member and Chair of the Medical Industry Association, been a CEO of Cardihab Pty Ltd, a Cardiac Rehabilitation digital health company spun out from CSIRO research and currently is National Business Development Manager for ASX listed HSC Technology Group who provide data analysis and SaaS monitoring systems to the Aged Care and home automation sectors.

Special Responsibilities: Chairperson – Clinical Advisory Committee

Charles Robinson, B Env Sci, MBA, Grad Dip App Corp Gov, FGIA, GAICD
Mr. Robinson has provided corporate governance and company secretarial services to organisations for over twenty years and is a Fellow of both the Governance Institute of Australia and the Institute of Chartered Secretaries and Administrators. He has extensive experience in assisting organisations achieve sustainable growth, with a particular emphasis on ensuring that the corporate governance aspects of the organisation are robust and promoting sound business practices.

Committee Memberships

Governance Committee	Audit & Finance committee	Clinical Advisory Committee
Chairperson: Julia Duffy	Chairperson: Bob Beusekom	Chairperson: Gus Taddeo
Natalie Bain	Tania Hillman	Clare Maher
Donna Bonney	Christine Ip	Clare Boothroyd

Directors’ Meetings

During the year there were nine meetings of Directors, plus committee meetings. Attendance details are:

	Directors' meetings		**Audit and Finance Committee**		**Governance Committee**		**Clinical Advisory Committee**	
Director	Number eligible to attend	Number attended	Number eligible to attend	Number attended	Number eligible to attend	Number attended	Number eligible to attend	Number attended
Natalie Bain	9	7		-	5	4	-	-
Christine Ip	9	9	6	6	-	-	-	-
Gus Taddeo	9	8		-	-	-	3	3
Bob Beusekom	9	7	6	5	-	-	-	-
Tania Hillman	9	9	6	6	-	-	-	-
Donna Bonney	9	9	-	-	5	5	-	-
Clare Boothroyd	9	3	-	-	-	-	3	-
Julia Duffy	9	7	-	-	5	5	-	-
Clare Maher	9	7	-	-	-	-	3	3

DIRECTORS' REPORT

OUR OBJECTIVES AND ACTIVITIES

The objectives of True are:

- To promote sexual and reproductive health amongst the public.
- To prevent ill-health in the area of sexual and reproductive health.
- To educate the public in respect to all issues relating to sexual and reproductive health.
- To provide clinical, education and training services to attain the objectives of True.
- To raise and secure sufficient funds for the advancement of the objectives of True.
- To receive any funds and to distribute these funds in a manner that best attains the objectives of True; and
- To do all things which are incidental or conducive to the attainment of all or any of the objects of True.

True's vision and mission were achieved by meeting the objectives of the Strategic Agenda: 2016-2021. These include:

- Access and excellence: improve community well-being by raising awareness and increasing access to expert services throughout Queensland and beyond.
- Education with impact: develop and deliver contemporary education and training programmes and resources, recognised for the quality of content, delivery and accessibility.
- Research and leadership: provide sector leadership through collaborative research, evidence-based practice and ongoing service reviews.
- Co-design and innovation: continue to improve our products and services with stakeholders through co-design, partnerships and innovation.
- Profit for purpose: engage in fundraising and social enterprise to underpin our financial sustainability and increase our positive social impact.

True monitors the business by:

- Providing detailed briefs and outcome reports to the Board for review incorporating:
  - Board meetings are scheduled six times per year for consideration of operational results and an annual calendar of events ensuring strategy review, risk review, investment review, and consideration of annual financial results and audit findings,
  - Audit & Finance Committee meetings are scheduled six times per year and an annual, external financial audit.
  - The Board's Governance committee is scheduled to meet four times per year and examines corporate governance compliance and reports to the board.
  - The Board's Clinical Advisory committee is scheduled to meet three times per year and examines clinical and education services to assess quality controls, customer feedback, risk and compliance and makes recommendations to the board.
- Reviewing and analysing quarterly results against the annual operational plan which is aligned with critical actions and cross functional activities.
- Meeting the requirements of the international standard ISO 9001:2015, the National Safety and Quality Health Service Standards (NSQHS) and the Human Services Quality Framework (HSQF) underpinned by an effective Quality Management System (QMS).
  - ISO 9001:2015 This standard is based on a number of quality management principles including strong customer focus, the motivation and involvement of top management, and a process approach based on continual improvement. The incorporation of this standard into the way of working helps to ensure that customers get consistent, good

quality products and services.
    - NSQHS provide a nationally uniform set of safety and quality measures across a wide range of health care services. They include evidence-based improvement strategies to bridge current and best practices that affect a large number of clients.
    - HSQF is the quality assurance framework used by the Department of Communities, Disability Services and Seniors and Department of Child Safety, Youth and Women (the departments) for assessing and promoting improvement in the quality of human services.
- Maintaining a clinical incident reporting system.
- Confirming compliance with medical and nursing registrations.
- Undertaking effective clinical governance and adherence to True’s clinical practice guidelines.
- Seeking, monitoring and responding to customer feedback including both individual feedback and that from customer advisory groups and stakeholder advisory groups.
- Undertaking an effective risk management process including mitigation actions at organisational level and project level.
- Providing six-monthly performance reports for the Queensland Health, Department of Child Safety, Youth and Women and Department of Communities, Disability services, and Seniors including quarterly statistics relating to funded services.
- Engagement with key stakeholders to seek feedback on activities
- Using reference or steering groups to oversee specific strategies of funded projects
- Annual review of the 2016-2021 organisational strategy to ensure the organisational direction is matching community need.
- Monitoring legislative requirements including those relating to clinical and education services.
- Engaging online monitoring services to ascertain data on website and social media activity.

PRINCIPAL ACTIVITIES

The principal activities of the company during the year were to provide sexual and reproductive health and community gynaecology services in accordance with the Constitution and to ensure all services were adequately funded and professionally delivered.

REVIEW OF OPERATIONS

The 2020 consolidated comprehensive income of $423,994 includes Curae net results of ($14,441). The operating surplus of True RRH (parent entity) for the year ended 30 June 2020 was $438,435.

Total revenue for the Group increased by $1,195,100 to $10,969,058 compared to 2018/19 financial year. The main increases relate to the Federal Government JobKeeper subsidy due to COVID-19, the requirement to recognise $196,000 of project grants paid in advance (although not expended) due to the adoption of new accounting standards (AASB1058 and AASB15) governing revenue recognition, the Federal Government ATO cash flow boost, new grant income for projects in the Education area undertaken during 19/20 and minor government grant indexation. Main revenue decreases related to Fee for Service user pays income in Education and training of $145,000 noting the impacts of COVID-19 disrupting patronage, and investment dividends down $40,000 as global stock markets recoiled under adverse economic conditions.

Total Group expenditure increased by $969,603 to $10,545,064 compared to 2018/19. The main increases relate primarily to labour, consumables, labour top up expenditures funded from COVID-19 Jobkeeper subsidy, additional equipment expenditures funded by the Queensland Government to support us during COVID-19 impacts, depreciation and amortisation costs for property leases due to the new accounting standard AASB 16 leases, and also due to AASB9 gain and loss in changes in fair value of financial assets.

REVIEW OF OPERATIONS (CONT)

The Department of Communities Human Services Quality Framework (HSQF) audit was successfully undertaken this financial year. This audit is now mandatory for anyone receiving funds from the Department and is completed by external auditors every 18 months. True has also continued to successfully gain accreditation with NSQHS and ISO 9001:2015.

FUTURE DEVELOPMENTS

Family Planning Queensland t/a True Relationships & Reproductive Health (True) is positioned as the expert in reproductive and sexual health. It provides a wide range of clinical, counselling and educational services in partnership with stakeholders such as the Federal Government, Queensland government, hospitals, schools, charitable organisations, universities and philanthropic funds.

True continues to engage with funders, clients, stakeholders and employees to seek feedback and continually improve service offerings and delivery. This feedback has been particularly important as True has developed a new strategic plan for 2021 – 2025 with consideration of Government priorities & policies and True's growth trajectory in bringing services closer to Queensland's geographically dispersed population. Whilst the overarching strategy for True remains stable, the new strategic pillars are now aligned with Queensland's Human Rights Act 2019 supporting the Queensland Government's vision for a harmonious, united and inclusive Queensland. These strategic pillars are:

- Ensure Availability
    - True strives to facilitate availability of all Reproductive and Sexual health clinical, education and counselling services through a highly trained workforce and the training of professional to maximise knowledge and capacity within local communities for substantial positive impact.
- Foster Acceptability
    - True partners with Government and community stakeholders, customers and clients to co-design and develop acceptable services that continue to be respectful of diversity and inclusivity.
- Maximise Accessibility
    - True continues to offer physically and economically accessible services to everyone through enabling technologies listening to customers and being responsive to community needs.
- Promise Quality and Excellence
    - True maintains a commitment to quality and excellence in all service offering, continuing to deliver superior expertise and achieve accreditation in all standards.
- Focus on Sustainability and Growth
    - True strives towards economic viability allowing the sustainable delivery of our services and supporting investment in programmes that service the community.

High level strategic goals have been developed across all the pillars and major goals include:

- Increasing access and availability of services to 85% of Queenslanders being within one hour's drive of a True clinic
- 99% client satisfaction
- Ongoing accreditation across all standards, and
- Maintain current and attract new funding for True's programmes

FAMILY PLANNING QUEENSLAND

Trading as "true relationships & reproductive health"

DIRECTORS' REPORT

MEMBERSHIP AND CATEGORIES

The two categories of membership of the company are: Individual or Organisational membership. Eligible members must be over 18 years of age.

MEMBERSHIP GUARANTEE

The liability of the Members is limited strictly to an obligation for each Member to contribute $40, if demanded, to the assets of true if it is wound up while he or she is a Member, or within one year afterwards. Each member guarantees to make such payment if demanded.

AUDITOR'S INDEPENDENCE DECLARATION

The Independence Declaration of the lead auditor is included at page 11.

Signed in accordance with a Resolution of the Directors.

Ms Natalie Bain
Director

Brisbane, 08 October 2020

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DECLARATION OF INDEPENDENCE BY K L COLYER TO THE DIRECTORS OF FAMILY PLANNING QUEENSLAND

As lead auditor of Family Planning Queensland for the year ended 30 June 2020, I declare that, to the best of my knowledge and belief, there have been:

1. No contraventions of the auditor independence requirements of section 60-40 of the *Australian Charities and Not-for-profit Commission Act 2012* in relation to the audit; and
2. No contraventions of any applicable code of professional conduct in relation to the audit.

This declaration is in respect of Family Planning Queensland and the entities it controlled during the year.

K L Colyer
Director

BDO Audit Pty Ltd

Brisbane, 8 October 2020

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2020

	NOTE	2020	2019
		$	$
Revenue	2	10,969,058	9,773,958
Employee benefits expense		(6,918,330)	(6,522,124)
Staff associated costs		(199,399)	(292,815)
Consultancy costs		(302,050)	(238,478)
Client support and information		(121,476)	(119,274)
Occupancy costs	2(ii)	(174,401)	(842,284)
Materials and consumables		(499,375)	(348,627)
Depreciation and amortisation expense	2(ii)	(830,553)	(199,310)
Loss on disposal/sale of non-current assets		(40,566)	(35,794)
Gain/(loss) in changes in fair value of financial assets		(291,562)	(22,586)
Other expenses	2(ii)	(1,167,352)	(954,169)
Surplus (Deficit) before income tax		**423,994**	**198,497**
Income Tax expense	1(b)	-	-
Surplus (Deficit) for the year		**423,994**	**198,497**
Other Comprehensive income			
Item that will not be reclassified to profit and loss:			
Change in fair value of land and buildings		-	-
Total Other Comprehensive Income		-	-
Total Comprehensive Income		**423,994**	**198,497**

The above statement should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2020

	NOTE	2020	2019
		$	$
CURRENT ASSETS			
Cash and cash equivalents	3	2,456,780	1,371,924
Trade and other receivables	4	56,915	24,622
Inventories		44,714	51,612
Other current assets	5	459,585	202,932
TOTAL CURRENT ASSETS		**3,017,994**	**1,651,090**
NON CURRENT ASSETS			
Property, plant and equipment	6	1,080,574	1,069,182
Right-of-use assets	7	2,086,591	-
Financial assets at fair value through profit or loss	8	3,537,400	3,717,488
Term Deposits		289,159	283,821
Intangible assets	9	68,430	136,489
TOTAL NON CURRENT ASSETS		**7,062,154**	**5,206,980**
TOTAL ASSETS		**10,080,148**	**6,858,070**
CURRENT LIABILITIES			
Trade and other payables	10	1,647,731	1,680,900
Contract liabilities – deferred income		676,322	-
Lease liabilities	11	573,688	-
Interest bearing liabilities		-	19,558
Provisions	12	352,789	289,101
TOTAL CURRENT LIABILITIES		**3,250,530**	**1,989,559**
NON-CURRENT LIABILITIES			
Provisions	12	96,625	125,897
Lease liabilities		1,600,423	-
TOTAL NON-CURRENT LIABILITIES		**1,697,048**	**125,897**
TOTAL LIABILITIES		**4,947,578**	**2,115,456**
NET ASSETS		**5,132,570**	**4,742,614**
EQUITY			
Accumulated Surplus	13	5,132,570	4,734,352
Reserves	13	-	8,262
TOTAL EQUITY		**5,132,570**	**4,742,614**

The above statement should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR YEAR ENDED 30 JUNE 2020

	Accumulated Surplus	Reserves	Total
	$	$	$
Balance at 1 July 2018	**4,535,855**	**8,262**	**4,544,117**
Total comprehensive income for the year			
Surplus/(Deficit) for the year	198,497	-	198,497
Other comprehensive income	-	-	-
Total comprehensive income	198,497	-	198,497
Balance at 30 June 2019	**4,734,352**	**8,262**	**4,742,614**
Adjustment on adoption of AASB 1058	(34,038)	-	(34,038)
Restated balance at 30 June 2019	**4,700,314**	**8,262**	**4,708,576**
Total comprehensive income for the year:			
Surplus / (Deficit) for the year	423,994	-	423,994
Transfers from reserves	8,262	(8,262)	-
Other comprehensive income	-	-	-
Total comprehensive income	**432,256**	**(8,262)**	**423,994**
Balance at 30 June 2020	**5,132,570**	**-**	**5,132,570**

The above statement should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 JUNE 2020

	NOTE	2020	2019
		$	$
Cash flows from operating activities:			
Receipts from customers		2,186,354	1,522,633
Receipts from grants		8,778,337	8,908,296
Dividends received		163,610	204,655
Interest received		8,240	15,095
Payments to suppliers and employees		(9,074,857)	(10,037,547)
Net cash provided by operating activities	18 (b)	**2,061,684**	**613,132**
Cash flows from investing activities:			
Payments for plant, property and equipment and intangibles		(165,578)	(88,681)
Proceeds from sale of Investments		830,369	351,995
Purchase of Investments		(941,484)	(519,190)
Net cash used in investing activities		**(276,693)**	**(255,876)**
Cash flows from financing activities:			
Proceeds from/(payments of) borrowings		(19,558)	3,643
Payments of lease liabilities		(680,577)	-
Net cash provided by financing		**(700,135)**	**3,643**
Net increase/(decrease) in cash held		1,084,856	360,899
Cash at beginning of the financial year		1,371,924	1,011,025
Cash at the end of the financial year	18 (a)	**2,456,780**	**1,371,924**

The above statement should be read in conjunction with the accompanying notes.

Family Planning Queensland is a public company limited by guarantee, incorporated and domiciled in Australia, and is a not-for-profit entity for the purposes of preparing the financial statements.
The consolidated financial statements are for the consolidated entity consisting of Family Planning Queensland (Company) and its subsidiaries and together are referred to as the Group.

The consolidated financial statements were approved for issue in accordance with a resolution by the Directors on 08 October 2020.

NOTE 1: SIGNIFICANT ACCOUNTING POLICIES

Basis of Preparation

These general purpose financial statements have been prepared in accordance with the Australian Accounting Standards and Interpretations of the Australian Accounting Standards Board (‘AASB’) and *Australian Charities and Not-for-profits Commission Act 2012*. The company is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards. Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless stated otherwise.

The financial statements, except for the cash flow information, have been prepared on an accrual basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities. The amounts presented in the financial statements have been rounded to the nearest dollar.

(a) Principles of consolidation

The general purpose consolidated financial statements incorporate all of the assets, liabilities and results of the parent (Family Planning Queensland) and all of the subsidiaries (including any structured entities). Subsidiaries are entities the parent controls. The parent controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. A list of the subsidiaries is provided in Note 22.

The assets, liabilities and results of all subsidiaries are fully consolidated into the financial statements of the Group from the date on which control is obtained by the Group. The consolidation of a subsidiary is discontinued from the date that control ceases. Intercompany transactions, balances and unrealised gains or losses on transactions between group entities are fully eliminated on consolidation. Accounting policies of subsidiaries have been changed and adjustments made where necessary to ensure uniformity of the accounting policies adopted by the Group.

(b) Income tax

The Company's income is exempt from tax under the Income Tax Assessment Act (as amended).
The subsidiaries within the Group, are not exempt from tax under the Income Tax Assessment Act (as amended).

(c) Comparatives

Where necessary, comparative figures have been adjusted to conform to changes in presentation in the current financial year.

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONT)

(d) Critical Accounting Estimates and Judgements

The Directors’ estimates and judgements incorporated into the financial report are based on historical results and the best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data from internal and external sources.

(e) New Accounting Standards for Application in Future Periods

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by the group for the annual reporting period ended 30 June 2020. The company has not yet assessed the impact of these new or amended Accounting Standards and Interpretations:

- AASB 2018-6 Amendments to Australian Accounting Standards: Definition of a Business (effective from 1 July 2021).
- AASB 2018-7 Amendments to Australian Accounting Standards: Definition of Material (effective from 1 July 2021).
- AASB2020-1 Amendments to AASs - Classification of Liabilities as Current or Non-current (effective 30 June 2023).

(f) New, revised or amending Accounting Standards and Interpretations adopted

The company has adopted all of the new, revised or amending Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period. The following Accounting Standards and Interpretations are most relevant to the company:

AASB 1058 Income of Not-for-Profit Entities
The company has adopted AASB 1058 from 1 July 2019. The standard replaces AASB 1004 'Contributions' in respect to income recognition requirements for not-for-profit entities. The timing of income recognition under AASB 1058 is dependent upon whether the transaction gives rise to a liability or other performance obligation at the time of receipt. Income under the standard is recognised where: an asset is received in a transaction, such as by way of grant, bequest or donation; there has either been no consideration transferred, or the consideration paid is significantly less than the asset's fair value; and where the intention is to principally enable the entity to further its objectives.

For transfers of financial assets to the entity which enable it to acquire or construct a recognisable non-financial asset, the entity must recognise a liability amounting to the excess of the fair value of the transfer received over any related amounts recognised. Related amounts recognised may relate to contributions by owners, AASB 15 revenue or contract liability recognised, lease liabilities in accordance with AASB 16, financial instruments in accordance with AASB 9, or provisions in accordance with AASB 137. The liability is brought to account as income over the period in which the entity satisfies its performance obligation. If the transaction does not enable the entity to acquire or construct a recognisable non-financial asset to be controlled by the entity, then any excess of the initial carrying amount of the recognised asset over the related amounts is recognised as income immediately. Where the fair value of volunteer services received can be measured, a private sector not-for-profit entity can elect to recognise the value of those services as an asset where asset recognition criteria are met or otherwise recognise the value as an expense.

AASB 15 Revenue from Contracts with Customers
The company has adopted AASB 15 from 1 July 2019. The standard provides a single comprehensive model for revenue recognition. The core principle of the standard is that an entity shall recognise revenue to depict the transfer of promised goods or services to customers at an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. The standard introduced a new contract-based revenue recognition model with a measurement approach that is based on an allocation of the transaction price. This is described further in the accounting policies in Note 2.

NOTE 1: SIGNIFICANT ACCOUNTING POLICIES (CONT)

Credit risk is presented separately as an expense rather than adjusted against revenue. Contracts with customers are presented in an entity's statement of financial position as a contract liability, a contract asset, or a receivable, depending on the relationship between the entity's performance and the customer's payment. Customer acquisition costs and costs to fulfil a contract can, subject to certain criteria, be capitalised as an asset and amortised over the contract period.

Impact of adoption
At 1 July 2019, the date of initial application of AASB 1058, the impact on retained earnings was $34,038. There was no material impact to the company in relation to adoption of AASB 15. The impact of the disclosures under AASB 15 and AASB 1058 compared with the previous revenue Accounting Standards is as follows:

	New $	Previous $	Difference $
Current assets:			
Contract assets	296,337	-	296,337
Accrued income	-	296,337	(296,337)
Current liabilities:			
Contract liabilities	676,322	-	676,322
Deferred income	-	676,322	(676,322)
Net assets	(379,985)	(379,985)	-

AASB 16 Leases
The company has adopted AASB 16 from 1 July 2019. The standard replaces AASB 117 'Leases' and for lessees eliminates the classifications of operating leases and finance leases. Except for short-term leases and leases of low-value assets, right-of-use assets and corresponding lease liabilities are recognised in the statement of financial position. Straight-line operating lease expense recognition is replaced with a depreciation charge for the right-of-use assets (included in operating costs) and an interest expense on the recognised lease liabilities (included in finance costs). In the earlier periods of the lease, the expenses associated with the lease under AASB 16 will be higher when compared to lease expenses under AASB 117. However, EBITDA (Earnings Before Interest, Tax, Depreciation and Amortisation) results improve as the operating expense is now replaced by interest expense and depreciation in profit or loss.

Impact of adoption
The company has elected to adopt AASB 16 retrospectively with the cumulative effect of initially applying AASB 16 recognised at the date of initial application (1 July 2019). Consequently, the comparative period has not been restated. The reclassifications and the adjustments arising from the new leasing rules are therefore recognised in the opening statement of financial position on 1 July 2019.

On transition to AASB 16, the company elected to measure all leases previously classified as operating leases under AASB 117 at an amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments relating to the leases recognised in the statement of financial position immediately before the date of initial application.

These lease liabilities were measured at the present value of the remaining lease payments, discounted using the lessee’s incremental borrowing rate as of 1 July 2019. The weighted average lessee’s incremental borrowing rate applied to the lease liabilities on 1 July 2019 was 5.06%.

NOTE 1: SIGNIFICANT ACCOUNTING POLICIES (CONT)

The impact of adoption was as follows:

	1 July 2019 $
Operating lease commitments as at 1 July 2019 (AASB 117)	1,470,083
Less: operating leases not subject to IFRS 16	-
Plus: additional future lease payments for expected extension options	1,607,031
Discounted using the entity’s incremental borrowing rate	(341,649)
Lease liability recognised at 1 July 2019	2,735,465

The lease liability is split between the following balances:	
Current lease liability	561,354
Non-current lease liability	2,174,111
Total lease liability recognised at 1 July 2019	2,735,465

A right-of-use asset is recognised at the date of initial application at an amount equal to the lease liability adjusted by the amount of any prepaid or accrued lease payments relating to that lease recognised in the Statement of Financial Position immediately before the date of initial application. This is summarised below:

	1 July 2019 $
Right-of-use asset (recognised at 1 July 2019)	2,735,465
Total right-of-use asset	2,735,465

There was no impact to accumulated surpluses on adoption of AASB 16

(g) Fair Values

Fair values may be used for financial asset and liability measurement as well as for sundry disclosures.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. It is based on the presumption that the transaction takes place either in the principal market for the asset or liability or, in the absence of a principal market, in the most advantageous market. The principal or most advantageous market must be accessible to, or by, the Company.

(h) Impairment of Assets

At each reporting date, the Directors review the carrying value of the Company’s tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset’s fair value less costs to sell and value in use, is compared to the assets carrying value. Any excess of the assets carrying value over its recoverable amount is expensed in the Statement of Comprehensive Income.

Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

NOTE 2: SURPLUS / (DEFICIT)

(i) Revenue and Other Income

Revenue from contracts with customers (AASB 15):		**2020 $**	**2019 $**
Grant revenue			
Government grants	(ii)	2,119,617	7,219,773
Other grants	(ii)	462,641	811,564
Sales:			
Sales - pharmacy	(i)	2,840	3,247
Sales - other	(i)	23,087	23,972
Sales – resources & publications	(i)	41,328	53,508
Services:			
Education and training	(ii)	289,523	434,405
Clinic revenue	(ii)	999,389	995,817
Total revenue from contracts with customers		3,938,425	9,542,286
Income of not-for-profit entities (AASB 1058):			
Government grants		6,816,010	-
Other income:			
Interest received - other persons		8,240	15,095
Donations and sponsorships		62	1,258
Dividend income		163,610	204,655
Other income		42,711	8,328
Net gain on disposal of property, plant and equipment		-	2,336
Total other income		214,623	231,672
Total Revenue and Other Income		**10,969,058**	**9,773,958**

(i) The group derives revenue from the transfer of goods and services at a point in time.
(ii) The group derives revenue from the transfer of goods and services over time.

Revenue recognition

Revenue from contracts with customers
The company applies AASB 15 to recognise revenue when an agreement is enforceable and contains performance obligations to transfer goods or services that are sufficiently specific to determine when the obligation has been satisfied. For an arrangement that is not within the scope of AASB 15, and not otherwise within the scope of other standards, it would be treated as contribution income under AASB 1058 (for example a cash donation without conditions).

Revenue from contracts with customers is recognised at an amount that reflects the consideration to which the company is expected to be entitled in exchange for transferring goods or services to a customer. For each contract with a customer, the company: identifies the contract with a customer; identifies the performance obligations in the contract; determines the transaction price which takes into account estimates of variable consideration and the time value of money; allocates the transaction price to the separate performance obligations on the basis of the relative stand-alone selling price of each distinct good or service to be delivered; and recognises revenue when or as each performance obligation is satisfied in a manner that depicts the transfer to the customer of the goods or services promised.

NOTE 2: SURPLUS / (DEFICIT) (continued)

(i) Revenue and Other Income (continued)

Variable consideration within the transaction price, if any, reflects concessions provided to the customer such as discounts, rebates and refunds, any potential bonuses receivable from the customer and any other contingent events. Such estimates are determined using either the 'expected value' or 'most likely amount' method. The measurement of variable consideration is subject to a constraining principle whereby revenue will only be recognised to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur. The measurement constraint continues until the uncertainty associated with the variable consideration is subsequently resolved. Amounts received that are subject to the constraining principle are recognised as a refund liability.

Contract assets and liabilities
AASB 15 uses the terms ‘contract asset’ and ‘contract liability’ to describe what is commonly known as ‘accrued revenue’ and ‘deferred revenue’. Contract assets are balances due from customers under contracts as work is performed and therefore a contract asset is recognised over the period in which the performance obligation is fulfilled. This represents the entity’s right to consideration for the services transferred to date. Amounts are generally reclassified to receivables when these have been certified or invoiced to a customer. Contract liabilities arise where payment is received prior to work being performed.

Grant revenue
Revenue from grants received under enforceable agreements, where there are sufficiently specific performance obligations imposed, is deferred in the statement of financial position as a ‘contract liability’ until the obligations are satisfied. If the performance obligations are not sufficiently specific, revenue will be recognised immediately under AASB 1058 when the company obtains control of the cash.

If conditions are attached to the grant which must be satisfied before the company is eligible to retain the contribution, the grant will be recognised in the statement of financial position as a ‘contract liability’ until those conditions are satisfied.

Sales
Sale of goods usually contains only one performance obligation, with revenue recognised at the point in time when the material is transferred to the customer. The revenue is measured at the transaction price agreed under the contract. In most cases, the consideration is due when the goods have been transferred to the customer.

Revenue from rendering services
Revenue from the rendering of a services (such as provision of education and training) is recognised upon the delivery of the service to the client.

Interest
Interest revenue is recognised as interest accrues using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

Dividend
Dividend revenue is recognised when the right to receive a dividend is established.

All revenue is stated net of the amount of Goods and Services Tax (GST).

NOTE 2: SURPLUS / (DEFICIT) (continued)

(ii) Charging as expenses

Cost of sales	47,926	53,718
Amortisation:		
- Software Systems	42,396	64,760
- Right of use assets	648,874	-
Total amortisation	691,270	64,760
Depreciation of non-current assets:		
- Freehold buildings and Leasehold improvements	81,846	79,840
- Plant and equipment	57,437	54,710
Total depreciation	139,283	134,550
Total depreciation and amortisation	**830,533**	**199,310**
Impairments and loss on disposal of property, plant & equipment	40,566	48,545
Impairments and loss on disposal of investments	-	-
Included in Occupancy costs:		
- Operating lease rentals	-	660,909
Included in Other expenses:		
- ICT migration costs, project resources, network costs	-	268,804

NOTE 3: CASH AND CASH EQUIVALENTS

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less. Bank overdrafts are shown within short-term borrowings in current liabilities on the Statement of Financial Position.

	2020	2019
	$	$
Cash at bank	41,904	63,395
Cash on hand	2,955	3,580
Cash on short term deposit	2,411,921	1,304,949
	2,456,780	**1,371,924**

Short term deposits are available on demand.

NOTE 4: TRADE AND OTHER RECEIVABLES

Trade receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any allowance for expected credit losses. Trade receivables are generally due for settlement within 30 days.

The consolidated entity has applied the simplified approach to measuring expected credit losses, which uses a lifetime expected loss allowance. To measure the expected credit losses, trade receivables have been grouped based on days overdue.

	2020	2019
	$	$
Trade Debtors	56,915	32,952
Less: provision for impairment	-	(8,330)
	56,915	**24,622**

The carrying amounts of trade debtors are considered to be the same as their fair values, due to their short-term nature.

NOTE 5: OTHER CURRENT ASSETS

Other receivables are recognised at amortised cost, less any allowance for expected credit losses.

	2020	2019
	$	$
Prepayments	156,680	134,762
Contract asset	296,337	63,779
Other receivables	6,568	4,391
	459,585	**202,932**

NOTE 6: PROPERTY, PLANT AND EQUIPMENT

Each class of property, plant and equipment is initially recognised at cost. Where an item of property, plant or equipment is acquired for no or nominal consideration, the item’s fair value at acquisition date is deemed as its cost. Subsequent to initial recognition, each class is carried at cost or fair value, less where applicable, any accumulated depreciation and impairment losses.

Land and buildings are measured at fair value less accumulated depreciation. Any accumulated depreciation at revaluation date is eliminated against the gross carrying amount of the asset and the net amount is restated as the revalued amount of the asset. A revaluation surplus is credited to other comprehensive income (asset revaluation surplus) unless it reverses a revaluation decrease on the same asset previously recognised in profit or loss. A revaluation deficit is recognised in profit or loss unless it directly offsets a previous revaluation surplus on the same asset in the asset revaluation surplus. On disposal, any revaluation surplus relating to sold assets is transferred to retained earnings. Independent valuations are performed regularly to ensure that the carrying amounts of land and buildings does not differ materially from that the fair value at the end of the reporting period.

Plant and equipment are measured on the cost basis less depreciation and impairment losses.
At each reporting date, the Directors review a number of factors affecting property, plant and equipment, including their carrying values, to determine if these assets, grouped into cash-generating units, may be impaired. If an impairment indicator exists, the recoverable amount of the asset, being the higher of the asset’s ‘fair value less costs to sell’ and ‘value in use’, is compared to the carrying value. Any excess of the asset’s carrying value over its recoverable amount is expensed in the Statement of Profit or Loss and Other Comprehensive Income as an impairment expense.

As the future economic benefits of the company’s assets are not primarily dependent on their ability to generate net cash inflows, and if deprived of the asset, the company would replace the asset’s remaining future economic benefits, ‘value in use’ is determined as the depreciated replacement cost of the asset, rather than by using discounted future cash flows.

Depreciation

The depreciable amount of all fixed assets, excluding freehold land, is either depreciated on a straight-line basis or diminishing value over their useful lives to the company commencing from the time the asset is held ready for use.

Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.
Useful life for classes of assets held ranges as follows:

Building	5 - 40 years
Plant and equipment	3 - 12 years
Motor Vehicles	5 years

The assets residual values and useful lives are reviewed and adjusted if appropriate at each sheet balance sheet date.

The gain or loss on disposal of all fixed assets is determined as the difference between the carrying amount of the asset at the time of disposal and the proceeds of disposal and is included in the Statement of Profit or Loss and Other Comprehensive Income in the year of disposal. When revalued assets are sold, amounts included in the revaluation reserve relating to that asset are transferred to retained earnings.

NOTE 6: PROPERTY, PLANT AND EQUIPMENT (continued)

	2020	2019
	$	$
Land & Buildings		
Leasehold improvements – at cost	514,413	514,413
Cairns Freehold Land and Building – at fair value	540,000	540,000
	1,054,413	1,054,413
Less: Accumulated depreciation	(313,470)	(231,624)
Total Land and Buildings	**740,943**	**822,789**
Plant & Equipment		
Cost	673,122	560,154
Less: Accumulated depreciation	(356,747)	(340,762)
Total Plant & Equipment	**316,375**	**219,392**
Motor Vehicles		
Cost	70,794	70,794
Less: Accumulated depreciation	(47,538)	(43,793)
Total Motor Vehicles	**23,256**	**27,001**
Summary – All assets		
At cost	1,258,329	1,145,361
At fair value	540,000	540,000
Less: Accumulated depreciation	(717,755)	(616,179)
Written down value	**1,080,574**	**1,069,182**

NOTE 6: PROPERTY, PLANT AND EQUIPMENT (continued)

Movement in the carrying amounts between the beginning and the end of the financial year for property plant and equipment.

2020	Land and buildings $	Assets under construction $	Plant and equipment $	Motor Vehicle $	Total $
Balance at the beginning of year	822,789	-	219,392	27,001	1,069,182
Additions	-	-	165,578	-	165,578
Transfers	-	-	-		-
Disposals	-	-	(14,903)		(14,903)
Depreciation and impairment expense	(81,846)	-	(53,692)	(3,745)	(139,283)
Carrying amount at the end of the year	**740,943**	**-**	**316,375**	**23,256**	**1,080,574**

2019	Land and buildings $	Assets under construction $	Plant and equipment $	Motor Vehicle $	Total $
Balance at the beginning of year	884,000	26,700	174,444	31,824	1,116,968
Additions	18,629	-	70,052	-	88,681
Transfers	-	(26,700)	26,700	-	-
Disposals	-	-	(1,526)	(391)	(1,917)
Depreciation and impairment expense	(79,840)	-	(50,278)	(4,432)	(134,550)
Carrying amount at the end of the year	**822,789**	**-**	**219,392**	**27,001**	**1,069,182**

NOTE 7: RIGHT-OF-USE ASSETS

A right-of-use asset is recognised at the commencement date of a lease. The right-of-use asset is measured at cost, which comprises the initial amount of the lease liability, adjusted for, as applicable, any lease payments made at or before the commencement date net of any lease incentives received, any initial direct costs incurred, and, except where included in the cost of inventories, an estimate of costs expected to be incurred for dismantling and removing the underlying asset, and restoring the site or asset.

Right-of-use assets are depreciated on a straight-line basis over the unexpired period of the lease or the estimated useful life of the asset, whichever is the shorter. Where the entity expects to obtain ownership of the leased asset at the end of the lease term, the depreciation is over its estimated useful life. Right-of use assets are subject to impairment or adjusted for any re-measurement of lease liabilities.

The Group has elected not to recognise a right-of-use asset and corresponding lease liability for short-term leases with terms of 12 months or less and leases of low-value assets. Lease payments on these assets are expensed to profit or loss as incurred.

	2020 $	2019 $
Right-of-use assets	2,735,465	-
Less: Accumulated depreciation	(648,874)	-
	2,086,591	**-**

NOTE 8: FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

Initial recognition and measurement

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through other comprehensive income (OCI), and fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset’s contractual cash flow characteristics and the Group’s business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Fund has applied the practical expedient, the Group initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs.

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are ‘solely payments of principal and interest (SPPI)’ on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level.

The Group’s business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- Financial assets at amortised cost (debt instruments)*
- Financial assets at fair value through OCI with recycling of cumulative gains and losses (debt instruments)
- Financial assets designated at fair value through OCI with no recycling of cumulative gains and losses upon derecognition (equity instruments)
- Financial assets at fair value through profit or loss*.

*These are the financial assets most relevant to the Group.

<u>Financial assets at amortised cost (debt instruments)</u>

The Group measures financial assets at amortised cost if both of the following conditions are met:

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortised cost are subsequently measured using the effective interest (EIR) method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

The Group’s financial assets at amortised cost includes receivables. Refer to Note 4 for further details.

<u>Financial assets at fair value through profit or loss</u>

The Group’s financial assets at fair value through profit or loss include financial assets mandatorily required to be measured at fair value. Financial assets with cash flows that are not solely payments of principal and interest are classified and measured at fair value through profit or loss, irrespective of the business model.

Financial assets at fair value through profit or loss are carried in the statement of financial position at fair value with net changes in fair value recognised in the profit or loss based on the exit price as reported by the managers of the trusts.

NOTE 8: FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (continued)

Derecognition
A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e., removed from the Fund's statement of financial position) when:

- The rights to receive cash flows from the asset have expired or
- The Group's has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Fund has transferred substantially all the risks and rewards of the asset, or (b) the Fund has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of its continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

	2020 $	2019 $
Financial assets at fair value through profit or loss	3,537,400	3,717,488

NOTE 9: INTANGIBLES

Development costs that are directly attributable to software products are recognised as intangible assets where the following criteria are met:

- it is technically feasible to complete the software so that it will be available for use;
- management intends to complete the software and use or sell it;
- it can be demonstrated how the software will generate probable future economic benefits; and
- the expenditure attributable to the software during its development can be reliably measured.

Directly attributable costs that are capitalised as part of the software include employee costs and an appropriate portion of relevant overheads. Capitalised development costs are recorded as intangible assets and amortised from the point at which the asset is ready for use. Amortisation period is 3 – 5 years.

	2020 $	2019 $
Software Systems	276,246	343,027
Less: Accumulated amortisation	(207,816)	(206,538)
Written down value	**68,430**	**136,489**

Movement in Carrying Amounts:		
Balance at the beginning of year	136,489	248,268
Additions	-	-
Disposals	(25,663)	(47,019)
Depreciation and impairment expense	(42,396)	(64,760)
Carrying amount at the end of the year	**68,430**	**136,489**

NOTE 10: TRADE AND OTHER PAYABLES

Trade and other payables represent liabilities for goods and services provided to the Group prior to the year-end and which are unpaid. These amounts are unsecured and have 30-60 day payment terms.

	2020	2019
Unsecured liabilities:	$	$
Trade Creditors	33,113	35,766
Goods and services tax liability	158,160	143,801
Employee tax	82,370	74,766
Fees received in advance	-	26,876
Grants received in advance	-	415,632
Annual leave	497,771	458,491
Other creditors and accrued expenses	876,317	525,568
	1,647,731	**1,680,900**

The carrying amounts of trade and other payables are considered to be the same as their fair values, due to their short-term nature.

NOTE 11: LEASE LIABILITIES

A lease liability is recognised at the commencement date of a lease. The lease liability is initially recognised at the present value of the lease payments to be made over the term of the lease, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the entity's incremental borrowing rate. Lease payments comprise of fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, amounts expected to be paid under residual value guarantees, exercise price of a purchase option when the exercise of the option is reasonably certain to occur, and any anticipated termination penalties. The variable lease payments that do not depend on an index or a rate are expensed in the period in which they are incurred.

Lease liabilities are measured at amortised cost using the effective interest method. The carrying amounts are remeasured if there is a change in the following: future lease payments arising from a change in an index or a rate used; residual guarantee; lease term; certainty of a purchase option and termination penalties. When a lease liability is remeasured, an adjustment is made to the corresponding right-of use asset, or to profit or loss if the carrying amount of the right-of-use asset is fully written down.

	2020	2019
	$	$
As at 1 July 2019	2,735,465	-
Accretion of interest	119,223	
Payments	(680,577)	-
	2,174,111	**-**
Current	573,688	-
Non-current	1,600,423	-
Total lease liabilities	**2,174,111**	**-**

NOTE 12: PROVISIONS

Provision is made for the Group's liability for employee benefits arising from services rendered by employees to balance date as follows:

Short-term employee benefits provisions

Provision is made for the Group's liability for employee benefits arising from services rendered by employees to balance date. Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled, plus related on-costs.

Long-term employee benefits provisions

The Group's net obligation in respect of long-term service benefits, other than obligations under the Group's defined benefits superannuation fund, is the amount of future benefit that employees have earned in return for their service in the current and prior periods. The obligation is calculated using the projected unit credit method and is discounted to its present value and the fair value of any related assets is deducted. The discount rate is the yield at the balance sheet date on corporate bonds that have maturity dates approximating to the terms of the Group's obligations.

	2020 $	2019 $
Provisions - Current		
Employee benefits:		
- Long service leave	348,570	283,996
- Other	4,219	5,105
	352,789	**289,101**
Provisions - Non-Current		
Long-term employee benefits	96,625	125,897
Total provisions	**449,414**	**414,998**

NOTE 13: ACCUMULATED SURPLUS AND RESERVES

Accumulated Surplus at the beginning of the year	4,734,352	4,535,855
Adjustment to opening retained earnings	(34,038)	-
Surplus/(deficit) for the year	423,994	198,497
Transfer from reserves	8,262	
Accumulated Surplus at the end of the financial year	**5,132,570**	**4,734,352**
Asset Revaluation Reserve		
Balance at the beginning of the year	8,262	8,262
Transfer to accumulated surpluses	(8,262)	-
Balance at the end of the financial year	**-**	**8,262**

NOTE 14: COMMITMENTS

Aggregate amount contracted for but not capitalised in the financial statements

Operating leases:		
Not later than 1 year	-	765,424
Later than 1 year but not later than 5 years	-	704,659
Later than 5 years	-	-
	-	**1,470,083**

From 1 July 2019, the Group has recognised right-of-use assets for its non-cancellable operating leases, see note 1 and note 7 for further information.

NOTE 15: AUDITOR'S REMUNERATION

Amounts received or due and receivable by the auditors for:		
Auditing the financial statements	32,000	31,000
Other services	18,800	9,500
Non-audit services	-	-
	50,800	**40,500**

NOTE 16: KEY MANAGEMENT PERSONNEL COMPENSATION

	Salary & Fees	Super-annuation	Non-cash Benefits	Total
	$	$	$	$
2020	634,978	58,659	68,764	**762,401**
2019	620,147	56,993	68,311	**745,451**

Non-director members of Family Planning Queensland Key Management Personnel during 2019-2020 are:

Employee Name	Position Held
Alice Evans	Chief Executive Officer (CEO)
Monique Belousoff	General Manager Stakeholder Engagement
Svend Kling	Chief Financial Officer (CFO)
Sharon Stokell	Business Manager Clinical Service

Under the Group's Constitution no Director is permitted to receive fees or a salary from the Group. The names of the Group Directors who have held office during the financial year are:

Bob Van Beusekom	Donna Bonney
Clare Boothroyd	Julia Duffy
Giuseppe Taddeo	Tania Hillman
Clare Maher	Natalie Bain
Christine Ip	

NOTE 17: FUNDING OF OPERATIONS

The Group is economically dependent upon funding from the Queensland State Government. As detailed in Note 2, this income amounted to $8,578,561 for the year ended 30 June 2020 (2019: $8,031,337). The Directors are confident that there is not likely to be any material change in State Government funding in the foreseeable future with Funding agreements in place through to 30th June 2021.

NOTE 18: CASH FLOW STATEMENTS

(a) Reconciliation of Cash

For the purposes of the statement of cash flows, cash includes cash on hand and cash at bank. Cash at the end of the financial year as shown in the Statement of Cash Flows is reconciled to the related items in the Statement of Financial Position as follows:

	2020 $	2019 $
Cash on hand	2,955	63,395
Cash at bank	41,904	3,580
Cash on deposit	2,411,921	1,304,949
Cash Flows Presented on a Net Basis	**2,456,780**	**1,371,924**

Cash flows arising from deposits in and withdrawals from savings, money market and other deposits are presented on a net basis in the Statement of Cash Flows.

(b) Reconciliation of Net Cash provided by Operating Activities to Operating Surplus/(Deficit)

	2020 $	2019 $
Operating surplus/(Loss)	423,994	198,497
Net (Profit)/Loss on sale of assets including impairments	103,786	55,018
Change in fair value of financial asset through profit or loss	227,983	9,835
Non-cash flows in operating result:		
Amortisation	691,270	64,760
Depreciation	139,283	134,550
Interest expense- leases	119,223	-
Changes in provisions		
- Annual leave	39,280	43,601
- Long service leave	35,303	14,655
Changes in assets and liabilities:		
(Increase)/decrease in receivables	(32,293)	61,065
(Increase)/decrease in stock	6,899	11,201
(Increase)/decrease in other assets	(261,991)	(18,485)
Increase/(decrease) in payables	568,947	38,435
Cash flows provided by/(used in) operations	**2,061,684**	**613,132**

NOTE 19: MEMBERS' GUARANTEE

The Group is limited by guarantee. If the Group is wound up, the constitution states that each member is required to contribute a maximum of $40 towards meeting any outstanding obligations of the Group. At 30 June 2020 the number of members was 86.

NOTE 20: FINANCIAL INSTRUMENTS

Overall Policies

Interest rate risk
Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. For the Group, this arises on cash balances and term deposit investments.

Interest rate risk is managed by maintaining a term deposit for a relevant term to achieve the highest possible interest rate. No specific financial instruments such as interest rate hedges are considered necessary for the Group's bank debt as the exposure to risk is not considered material.

Credit risk
Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. For the Group this arises from exposures to customers. The Group does not have any material credit risk exposure to any single debtor or group of debtors under financial instruments entered into by the association.

The maximum exposure to credit risk, excluding the value of any collateral or other security, at balance date to recognised financial assets, is the carrying amount of trade and other receivables, net of any provisions for impairment of those assets, as disclosed in the balance in the balance sheet and notes to the financial statements.

Credit risk is managed and reviewed regularly by the board of directors through the Group's Audit and Finance Committee and the CEO.

Liquidity risk
Liquidity risk is the risk that the Group may encounter difficulties raising funds to meet commitments associated with financial instruments.

It is the policy of the Board of Directors that the Group maintains adequate cash reserves so as to meet financial commitments when required.

The Group manages liquidity risk by regularly monitoring actual cash flows and long term forecasted cash flows.

Investment Portfolio
An investment portfolio of $3,000,000 was established on 1 July 2015 and is managed by Perpetual Trustee's pursuant to a Board Investment Policy. Both capital growth and investment income will be re-invested into the fund annually and it is the Board’s intent that this become a future fund to support the objects of Family Planning Queensland.

NOTE: 20 FINANCIAL INSTRUMENTS (continuation)

Financial instrument maturity analysis

	Weighted Average Interest Rate		Floating Interest Rate		Non-Interest Bearing		Total	
	2020	**2019**	**2020**	**2019**	**2020**	**2019**	**2020**	**2019**
			$	**$**	**$**	**$**	**$**	**$**
Financial assets - Amortised Cost								
Cash at Bank	2.00% - 3 .00%	2.00% - 3.00%	2,453,825	1,368,344	-	-	2,453,825	1,368,344
Cash on Hand			-	-	2,955	3,580	2,955	3,580
Trade and Other Receivables			-	-	56,915	24,622	56,915	24,622
Term Deposits			289,159	283,821	-	-	289,159	283,821
Total financial assets – Amortised Cost			**2,742,984**	**1,652,165**	**59,870**	**28,202**	**2,802,854**	**1,680,367**
Financial Assets – Fair value through profit or loss								
Investments			3,537,400	3,717,488	-	-	3,537,400	3,717,488
Total Financial Assets - Fair Value through profit or loss			**3,537,400**	**3,717,488**	**-**	**-**	**3,537,400**	**3,717,488**
Financial liabilities – Amortised Cost								
Trade and Other Payables			-	-	1,149,960	709,901	1,149,960	709,901
Borrowings	-	-	-	19,558	-	-	-	19,558
Total financial liabilities - Amortised Cost			**-**	**19,558**	**1,149,960**	**709,901**	**1,149,960**	**729,459**

NOTE: 20 FINANCIAL INSTRUMENTS (continuation)

Financial instrument maturity analysis

The table below reflects the undiscounted contractual settlement terms for financial instruments of a fixed period of maturity, as well as management's expectations of the settlement period for all other financial instruments. As such, the amounts may not reconcile to the statement of financial position.

Trade and sundry payables are expected to be paid as follows:	**2020**	**2019**
Trade payables	**$**	**$**
Less than 6 months	33,113	35,766
6 months to 1 year	-	-
	33,113	**35,766**
Sundry payables		
Less than 6 months	1,116,847	744,135
6 months to 1 year	-	-
	1,116,847	**744,135**
Bank loans are expected to be paid as follows:		
Bank loans		
Less than 1 year	-	19,558
One to Two years	-	-
	-	**19,558**

Market risk

Market risk arises from the use of interest bearing and tradeable financial instruments. It is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in interest rates (interest rate risk), and other market factors (other price risk).

The Group invests in publicly traded investments and in doing so it exposes itself to the fluctuations in price that are inherent in such a market. Any investment decisions must be approved by the board. To limit its market risk, the Group holds a diversified portfolio and the Board makes investment decisions on advice from professional advisors.

Sensitivity analysis

Interest rate risk

No sensitivity analysis has been performed for interest rate risk, as the effect of the interest rate fluctuations on the cash balances are considered not material.

Other price risk

A movement in market prices of 5% would affect net equity on the Group by approximately $176,870 being the balance of investments of $3,537,400 at 30 June 2020.

NOTE 21: FAIR VALUE

Land and buildings and investments are recognised and measured at fair value on a recurring basis. There are no assets or liabilities which are measured at fair value on a non-recurring basis.

Fair value hierarchy
All assets and liabilities for which fair value is measured or disclosed are categorised according to the fair value hierarchy as follows:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3: Inputs for the assets or liability that are not based on observable market data (unobservable inputs). Recognised fair value measurements.

The following table sets out the consolidated entity’s assets and liabilities that are measured and recognised at fair value in the financial statements.

	Level 1	Level 2	Level 3	Total
	$	$	$	$
2020				
Investments	3,537,400	-	-	3,537,400
Land and Buildings	-	-	540,000	540,000
2019				
Financial assets through profit or loss	3,717,488	-	-	3,717,488
Land and Buildings	-	-	540,000	540,000

Valuation processes for Level 3 fair values

The entity engages an external, independent and qualified valuers to determine the fair value of the Group’s property every 3 years.

NOTE 22: INTEREST IN SUBSIDIARIES

The Group’s subsidiaries that were controlled during the year and prior year are set out below:

Subsidiaries	Principal place of business / Country of Incorporation	Percentage Owned (%) 2020	2019
Curae Technology Pty Ltd	Australia	100%	100%
Curae Technology Holdings Pty Ltd	Australia	100%	100%

NOTE 23: PARENT DISCLOSURES

The parent and ultimate parent entity within the Group is Family Planning Queensland.

(a) Summary financial information

The individual financial statements for the parent entity show the following aggregated amounts as follows:

	2020 $	2019 $
Current assets	3,286,164	1,596,671
Non-current assets	6,772,996	5,206,980
Total assets	10,059,160	6,803,651
Current liabilities	2,925,061	1,970,103
Non-current liabilities	1,697,048	125,896
Total liabilities	4,622,109	2,095,999
Net Assets	**5,437,051**	**4,707,652**
Accumulated surplus	5,437,051	4,699,390
Reserves	-	8,262
Total equity	**5,437,051**	**4,707,652**
Surplus/(deficit) for the year	**438,435**	**(10,341)**
Total comprehensive income for the year	**438,435**	**(10,341)**

(b) Guarantees

The parent entity has not provided any guarantees to third parties in relation to the obligations of controlled entities.

(c) Contractual commitments

There were no contractual commitments for the acquisition of property, plant and equipment entered into by the parent entity at 30 June 2020 (2019: $Nil).

(d) Contingent liabilities

The parent entity has no contingent liabilities at reporting date (2019: $Nil).

(e) Recognition and measurement

The financial information for the parent entity has been prepared on the same basis as the consolidated financial statements, except as set out below:

(f) Investments in subsidiaries and associates

Investments in subsidiaries and associates are accounted for at cost in the financial statements of Family Planning Queensland.

NOTE 24: COMPANY INFORMATION

Registered office and principal place of business of the Group is:

- 230 Lutwyche Road, Windsor, Qld, 4030.

NOTE 25: EVENTS AFTER THE BALANCE SHEET DATE

There are no relevant events that the Group is required to report after the balance sheet date.

DIRECTORS' DECLARATION

The Directors of Family Planning Queensland declare that:

1. The financial statements, comprising the consolidated statement of profit or loss and other comprehensive income, consolidated statement of financial position, consolidated statement of cash flows, consolidated statement of changes in equity, and accompanying notes, are in accordance with Division 60 of the *Australian Charities and Not-for-profits Commission (ACNC) Act 2012* and:
   a. Comply with Australian Accounting Standards and Division 60 of *the Australian Charities and Not-for-profits Commission Regulation 2013*; and
   b. Give a true and fair view of the entity's financial position as at 30 June 2020 and of its performance for the year ended on that date.
2. In the directors' opinion, there are reasonable grounds to believe that the entity will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of Directors.

On behalf of the Directors by:

Ms Natalie Bain
Director

Brisbane, 08 October 2020

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INDEPENDENT AUDITOR'S REPORT

To the members of Family Planning Queensland

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Family Planning Queensland (the registered entity) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 30 June 2020, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial report, including a summary of significant accounting policies, and the responsible entities' declaration.

In our opinion the accompanying financial report of Family Planning Queensland, is in accordance with Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012*, including:

(i) Giving a true and fair view of the Group's financial position as at 30 June 2020 and of its financial performance for the year then ended; and

(ii) Complying with Australian Accounting Standards and Division 60 of the *Australian Charities and Not-for-profits Commission Regulation 2013*.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the Financial Report* section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Australian Charities and Not-for-profits Commission Act 2012* (ACNC Act) and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other information

Those charged with governance are responsible for the other information. The other information obtained at the date of this auditor's report is information included in registered entity's annual report, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of responsible entities for the Financial Report

The responsible entities of the registered entity are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards and the ACNC Act, and for such internal control as the responsible entities determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, responsible entities are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the responsible entities either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the registered entity's financial reporting process.

Auditor's responsibilities for the audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website (http://www.auasb.gov.au/Home.aspx) at: http://www.auasb.gov.au/auditors_responsibilities/ar3.pdf

This description forms part of our auditor's report.

BDO Audit Pty Ltd

BDO

K L Colyer
Director

Brisbane, 8 October 2020